L/ice Mailed 4/30/03

Decision 03-04-068

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Require California Natural Gas and Electric Utilities to Preserve Interstate Pipeline Capacity to California.

Rulemaking 02-06-041 (Filed June 27, 2002)

ORDER CORRECTING ERROR IN DECISION (D.) 03-04-061

This order corrects a typographical error that appears in Decision (D.) 03-04-061. The corrected title of the decision should read: "Order Granting Limited Rehearing of Decision (D.) 02-07-037". This correction is clerical in nature, and is therefore made by order of the Commission's Executive Director pursuant to Resolution A-4661.

Therefore, **IT IS ORDERED** that D.03-04-061 is corrected as described herein. Attached is a copy of the corrected page.

This order is effective today.

Dated April 29, 2003 at San Francisco, California.

/s/ WILLIAM AHERN

William Ahern
Executive Director

L/ice Mailed 4/30/03

ATTACHMENT

L/ice MAILED 04/22/2003

Decision 03-04-061 April 17, 2003

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Require California Natural Gas and Electric Utilities to Preserve Interstate Pipeline Capacity to California.

Rulemaking 02-06-041 (Filed June 27, 2002)

ORDER GRANTING LIMITED REHEARING OF DECISION 02-07-037

I. SUMMARY

By this decision we grant the application for rehearing of Decision (D.) 02-07-037 filed by The Utility Reform Network (TURN) and order a limited rehearing on the issue of pre-authorization for recovery of costs by California utilities for existing capacity rights on interstate gas pipelines. D.02-07-037 is a decision in Phase 1 of Rulemaking No. 02-06-041 ("OIR"). By D.02-07-037 we established rules for California natural gas utilities and the state's largest electric utilities concerning subscription to turned back capacity on the El Paso Natural Gas Company (El Paso) interstate pipeline. (R.02-06-041 at 1.) D.02-07-037 also authorizes full recovery for existing interstate pipeline capacity rights for Pacific Gas and Electric Company (PG&E), Southern California Gas Company (SoCalGas), San Diego Gas and Electric Company (SDG&E), and Southwest Gas because "they are being expected to also sign up for additional capacity rights" on the El Paso system. (D.02-07-037 at 18.)

On August 26, 2002, TURN filed an application for rehearing of D.02-07-037, alleging that the portion of the decision pre-authorizing recovery by the utilities for existing capacity rights violates sections 451, 1708 and 1757.1 and unlawfully revises D. 95-12-046, with respect to PG&E's Transwestern Pipeline Company (Transwestern) pipeline capacity rights. We have reviewed each and every one of TURN's allegations